Calendar No. 158

98TH CONGRESS, 1st Session | SENATE | REPORT No. 98-102

AUTHORIZING APPROPRIATIONS FOR THE FEDERAL ELECTION COMMISSION FOR FISCAL YEAR 1984

MAY 16, 1983.—Ordered to be printed

Mr. MATHIAS, from the Committee on Rules and Administration, submitted the following

REPORT

[To accompany H.R. 2621]

The Committee on Rules and Administration, to which was referred the bill (H.R. 2621) to authorize appropriations for the Federal Election Commission for fiscal year 1984, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

PURPOSE OF THE BILL

The bill would authorize appropriations in the amount of $10,849,139 for the fiscal year ending September 30, 1984, for administration and enforcement by the Federal Election Commission of the Federal Election Campaign Act and related laws on presidential campaigns.

The Commission's initial request for fiscal year 1984 was in the amount of $10,343,139. Of this, $10,179,839 was allocated to the administation and enforcement of the campaign finance laws and $163,000 was for the funding of the Voting Systems Standards Project developed by the FEC's Clearinghouse Administration. The Office of Management and Budget has recommended a budget of $10,000,000.

The Commission is currently operating under a continuing resolution which allows $9,700,000 and anticipates a supplemental appropriation to cover pay increases for a total of $9,897,000 for fiscal year 1983. The authorization bill reported by the Committee on

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Rules and Administration for fiscal year 1983, but not acted on in the Senate, was in the amount of $9,787,408.

Non-personnel costs in the 1984 budget request amount to $2,989,110 and personnel costs account for $7,354,029, increased respectively to $3,279,110 and $7,570,029, with the additional funds provided under H.R. 2621 as approved by the Senate Committee on Rules and Administration.

Committee Hearing

On April 6, Commission witnesses appeared before the Committee to give testimony in support of the budget request. Chairman Danny Lee McDonald, and Commissioners Lee Ann Elliott and John McGarry, who serve on the FEC Budget Task Force, reviewed plans for the coming fiscal year which covers most of the presidential campaign year. Because of increased duties in connection with presidential campaign activities and because of inflationary rises for non-personnel costs, the FEC regards its budget proposal as a modest request. The Commission plans to add six auditors to its staff to handle the presidential campaign audits. It contemplates 245 full time employees, an increase from 231 planned during the current fiscal year.

The increased workload is based on a projection by the Commission that there will be ten candidates involved in the 1984 presidential primary election. Two party conventions will be funded. The FEC expects three presidential campaigns will qualify for federal funds in the general election.

In fiscal year 1984 the Commission expects to receive and review some 56,000 statements and documents. It anticipates responding to more than 50,000 calls on its toll-free lines and projects that 25,000 individuals will visit the Commission's public records office.

Commission witnesses characterized their budget as a "barebones, no frills budget." Commissioner Elliott outlined a number of economies which will permit the Commission to function with fewer employees and fewer real dollars than in previous years. The economies mentioned include a new system for reviewing reports combined with new enforcement and aduit referral policies and a more timely data coding and entry operation.

The Commission has determined not to conduct threshold audits of presidential candidates in 1984 and anticipates that new regulations will cut audit time and streamline Commission procedures in handling publicly funded presidential primary and election campaigns and party conventions.

In its testimony the Commission pointed out that the budget request did not include any portion of the executive pay arise or the Commission's portion of Medicare payments, both of which were enacted after the development of the budget request. The Commission had planned on a supplemental request to cover these costs.

Committee Action

To the $10,343,139 requested by the FEC, H.R. 2621 adds $506,000 for a total authorization of $10,849,139. The House report designated $216,000 of these additional funds to cover the new Medicare, Social Security, and executive pay costs. The remaining $290,000

will be used to upgrade the Commission's computer capabilities with the possible allocation of some of these funds for replacement of microfilm printer-readers or other equipment.

The Committee agrees on the desirability of providing the Commission with an authorization amount sufficient to cover all projected personnel costs, including new Medicare, Social Security, and executive pay costs, in fiscal year 1984, as well as providing additional funds to allow an expansion of FEC computer capacity.

The Committee, therefore, approves H.R. 2621 with respect to the $10,849,139 authorization for the FEC for fiscal year 1984. The Committee also concurs in the establishment of a one year experimental travel reimbursement project authorized by subsection (b) of this bill.

This provision of the House bill would permit members and employees of the Commission to be reimbursed by non-federal entities for official travel and subsistence costs. This amendment responds to Commission testimony that outreach activities in the form of appearances by the Commissioners and staff have been curtailed in recent years because of budgetary restraints.

The Senate Committee on Rules found nothing objectionable in the travel reimbusement program which is to be conducted on a one year experimental basis. The FEC has an invitation policy in connection with appearances by Commissioners and staff which the Commmittee understands will upon revision also govern appearances at meetings attended under the provisions of this amendment. The Committee believes that a one-year experiment for a travel program, which is to be regulated by the Commission, can demonstrate that private reimbursement for official travel can be handled in a manner which takes into account both the public interest and the primary functions of the Commission.

The Committee however has adopted substitute language for the authorization of the travel program. The House amendment language would authorize appropriations in such amounts as are necessary for official travel in addition to the authorization of $10,849,139. The Senate Committee amendment permits only the use of otherwise authorized funds for Commission travel.

Cost Estimate

In compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the estimate of costs of this measure, prepared by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act, is as follows:

U.S. Congress,
Congressional Budget Office,
Washington, D.C., May 12, 1983.

Hon. Charles McC. Mathias, Jr.,
Chairman, Committee on Rules and Administration,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 2621, a bill to authorize

appropriations for the Federal Election Commission for fiscal year 1984.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN, *Director.*

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

MAY 12, 1983.

1. Bill number: H.R. 2621.

2. Bill title: A bill to authorize appropriations for the Federal Election Commission for fiscal year 1984.

3. Bill status: As ordered reported by the Senate Committee on Rules and Administration, May 12, 1983.

4. Bill purpose: The bill amends the Federal Election Campaign Act of 1971 to authorize the appropriation of $10.8 million to the Federal Election Commission for fiscal year 1984. The 1983 appropriation is currently $9.7 million, and the President has requested $10.0 million for 1984.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1984	1985	1986	1987	1988
Authorization level	10.8				
Estimated outlays	9.4	1.4			

Including outlays from prior years' appropriations to date, total outlays in 1984 would be $10.7 million, assuming appropriation of the authorized amount.

The costs of this bill fall within budget function 800.

Basis of estimate.—This estimate assumes the amount authorized will be appropriated. The estimate of outlays is based on historical spending patterns. The bill also authorizes sponsoring individuals or groups to pay the official travel and subsistence expenses incurred by members and employees of the Commission in conjunction with meetings sponsored by nonfederal entities and individuals. The sponsoring individual or group may provide travel and subsistence to the member or employee involved, or reimbuse the Commission for expenses. Currently, these costs are paid by the Commission. This provision could result in some savings to the government, if any travel now financed by the Commission is paid for by nonfederal sources. The budget impact is not expected to be significant, however.

6. Extimated cost to State and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: On April 21, 1983, the Congressional Budget Office prepared a cost estimate for H.R. 2621, as ordered reported by the Committee on House Administration. This cost estimate is similar to the estimate prepared on the House version of the bill.

9. Estimate prepared by: Judith Walker (226–2860).
10. Estimate approved by:

C. G. NUCKOLS
(For James L. Blum,
Assistant Director for Budget Analysis).

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the regulatory impact which would be incurred in carrying out the bill is as follows (supplied by the Federal Election Commission):

AN ESTIMATE OF THE NUMBER OF INDIVIDUALS AND BUSINESSES TO BE REGULATED BY THE COMMISSION, AND A DETERMINATION OF THE GROUPS AND CLASSES OF SUCH INDIVIDUALS AND BUSINESSES

The Commission regulates seven categories of persons and political committees: Presidential candidates and committees; candidates and committees engaged in races for House and Senate seats; party-related committees; non-party related political committees; individuals or committees making independent expenditures; delegates and delegate committees; and persons making expenditures for communication costs. The table below indicates the number of filers in each category, the number of reports and statements filed by each, and the gross receipts and expenditures for the period covering calendar year 1982.

	Total filers existing in 1982	As of Dec. 31, 1982			In 1982		
		Filers terminated	Filers waived	Continuing filers	Reports and statements	Gross receipts	Gross expenditures
Presidential					597	$1,809,437	$2,391,338
Candidates	161	136	1	24			
Committees	195	56	0	139			
Senate					4,007	120,290,426	130,469,686
Candidates	660	385	2	273			
Committees	667	246	0	421			
House					22,858	183,088,870	186,299,164
Candidates	3,092	1,847	3	1,242			
Committees	2,823	1,031	0	1,792			
Party	613	292	0	321	3,533	243,562,297	289,878,523
National level committees	63	21	0	32			
State level committees	215	93	0	122			
Local level committees	339	175	0	164			
Convention committees	6	3	0	3			
Delegates	24	19	5	36	33	0	0
Nonparty	3,705	333	0	3,371	34,464	119,980,855	138,692,243
Labor committees	419	39	0	380			
Corporate committees	1,554	87	0	1,467			
Membership, trade and other committees	1,732	208	0	1,524			
Communication cost filers	68	N/A	N/A	N/A	111	N/A	1,215,449
Independent expenditures by persons other than political committees	128	N/A	N/A	N/A	238	N/A	287,008

THE ECONOMIC IMPACT OF SUCH REGULATIONS ON THE INDIVIDUALS, CONSUMERS, AND BUSINESSES AFFECTED

The Act is so specific in its requirements that the major economic impact on affected individuals and organizations is directly imposed by the Act, not the implementing regulations.

THE IMPACT ON THE PERSONAL PRIVACY OF THE INDIVIDUALS AFFECTED

Because a purpose of the Federal Election Campaign Act is to provide for the disclosure of contributions and expenditures made in campaigns for Federal office, there is obviously some impact on privacy. Congress felt that this slight impact on privacy was warranted in order to promote the policy of disclosure. Again, it is the Act, rather than implementing regulations, which produces this result.

A DETERMINATION OF THE AMOUNT OF ADDITIONAL PAPERWORK THAT WILL RESULT FROM REGULATIONS TO BE PROMULGATED DURING FISCAL YEAR 1984

The Commission has already submitted to Congress in fiscal year 1983 revised regulations regarding the Presidential Primary Matching Fund, Disclaimer Notices, and Candidate's Use of Property in Which the Spouse Has an Interest. Regulations on Communications by Corporations and Labor Organizations, similar to those which were withdrawn recently, are expected to be resubmitted after further public comment and Commission consideration. The Commission is also working on regulations regarding Joint Fundraising and Collecting Agents, Trade Association Solicitation Authorizations and Presidential General Election Financing. The Commission continues to place a high priority upon the reduction of unnecessary paperwork. A major goal of these revised regulations is reduction of the burden on those regulated by the Act.

Changes in Existing Law

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, H.R. 2621, as reported by the Committee on Rules and Administration, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

Section 439c of Title 2, United States Code

§ 439c. Authorization of appropriations

(a) There are authorized to be appropriated to the Commission for the purpose of carrying out its functions under this Act, and under chapters 95 and 96 of title 26, not to exceed $5,000,000 for the fiscal year ending June 30, 1975. There are authorized to be appropriated to the Commission $6,000,000 for the fiscal year ending June 30, 1976, $1,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $6,000,000 for the fiscal year ending September 30, 1977, $7,811,500 for the fiscal year ending September 30, 1978, [and] $9,400,000 for the fiscal year ending

September 30, 1981, *and $10,849,139 for the fiscal year ending September 30, 1984.*

(b) Notwithstanding any other provision of law, a member or employee of the Commission may, with the prior approval of the Commission, accept payment in cash or in kind from a non-Federal entity or individual for expenses of official travel and subsistence in connection with meetings sponsored by the non-Federal entity or individual. Payments received under this subsection may be retained by such member or employee to cover the expenses involved, or, if such expenses have previously been paid from funds appropriated to the Commission, shall be deposited to the credit of the appropriation from which such expense was paid.

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